



# *Los Angeles County* **BOARD OF SUPERVISORS POLICY MANUAL**

Policy #:	Title:	Effective Date:
<b>3.095</b>	<b>City Annexations and Spheres of Influence</b>	<b>05/13/03</b>

## **PURPOSE**

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Establish policies for the review and consideration of city annexation proposals and for the establishment and updating of city spheres of influence by the Local Agency Formation Commission, which determine where future annexations are likely to occur.

The County of Los Angeles supports the concept that urbanizing areas should have the option to attain municipal status through annexation, if so desired by area residents and not in conflict with County interests. Recognize that Los Angeles County is generally an urban county with a diverse population and a variety of communities, lifestyles and interests, and that unincorporated area residents may also chose to remain unincorporated under County government and not become part of a city.

In recognition of the population diversity and variation between unincorporated communities, the County will review and evaluate each city annexation proposal or sphere of influence amendment on a case-by-case basis and negotiate with each city in good faith as needed, under the guidance of this policy to determine its fiscal, social, geographic, environmental and/or operational impacts on the affected unincorporated community(s) and the County of Los Angeles. Furthermore, it is County policy to provide assistance to residents of unincorporated areas in determining their preferred government structure alternatives.

Finally, while many unincorporated communities reflect distinct, mature, and cohesive identities, other areas are characterized as "islands" created as a result of historical incorporations and annexations. Providing municipal services may involve sending County staff across neighboring cities to respond to community needs. Ensuring the most cost-effective and responsive services to these areas may involve exploring such vehicles as contracts with surrounding/neighboring cities or expanding County services via contract to address the needs of a larger area.

## **REFERENCE**

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Government Code Sections [25550.5 and](#) 56000, et seq., Revenue and Taxation Code Section 99

May 13, 2003 Board Order 31

## POLICY

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### **Background:**

**A.** There are three general categories of local government services:

1. Regional Services are services provided by the County at a standard level to all County residents and properties. Regional services include public health, welfare and social service programs, the criminal justice system, property assessment, tax collection, voter registration and many others.
2. BasicMunicipal Services are available countywide but are provided by cities, either directly or through contract, within their corporate boundaries, and by the County in unincorporated areas. MunicipalBasic services include law enforcement, road maintenance, animal control, land use planning, zoning enforcement and building inspection ~~and others~~. Although service levels may differ between jurisdictions, all cities and the County provide someat least a basic level of municipal these services.
3. Extended Contract and Special District Services may be either additional, non-~~municipalbasic~~ types of services or a higher level of a municipalbasic service. ~~Extended services are provided either by cities or special districts.~~ The County generally does not provide extended services out of general tax revenue, but can administer dependent taxing districts (e.g. assessment and benefit districts) to support extended services.

**B.** Traditionally, cities have been incorporated, or their boundaries expanded, to encompass additional areas at the request of because residents and/or property owners ~~have desired improved, extended services~~.

**C.** Pursuant to State Revenue and Taxation Code Section 99, the County Board of Supervisors is responsible for negotiating property tax exchange resolutions with any city proposing to annex unincorporated territory. ~~The County may also enter into a master property tax exchange agreement with other local agencies within the County to provide for a formula for determining property tax exchanges.~~

**D.** Heretofore, the Los Angeles County Board of Supervisors has not adopted a formal policy regarding city annexations. Nor has the Board adopted a master property tax exchange formula. However, an informal formula negotiated by the Chief ExecutiveAdministrative Office and the Los Angeles League of Cities has been historically used.

## **Policies:**

### **A. General Policies**

1. The County encourages development of unincorporated areas in a manner that permits their assimilation into adjacent cities, should area residents desire annexation.
2. The County supports revenue allocations that equitably reflect the County's regional responsibilities as well as the responsibilities of the County, cities and special districts for municipal base and special district~~extended~~ services.
3. In implementing this Policy, the County may encourage or discourage all or a part of specific annexations or spheres of influence proposals based upon the impact on an unincorporated community's sense of identity, revenue base, land use planning and pattern of development, and/or impact on County-initiated programs to improve services and infrastructure in the area, so as to avoid premature annexations that may prejudice more favorable long-term government structures.
4. The County Board of Supervisors supports the concept of providing positive options to residents of unincorporated communities who desire a higher level of service but prefer to remain unincorporated. Such options may include the use of assessment districts, the County budget process, local revitalization programs, contracts with neighboring cities, special planning standards or other mechanisms, as needed, subject to Board approval, and in most cases, subject to the approval of the affected communities.
5. Based upon the above policies, the County Board of Supervisors has determined that it is in the best interest of the County's unincorporated communities to review annexation proposals on a case-by-case basis rather than to adopt master agreements or formulas relating to the allocation and/or exchange of revenues between the County and affected cities.

### **B. Annexation Policies**

1. The County will oppose annexations that carve up or fragment an unincorporated community that has a strong sense of identity.

2. The County will oppose annexations of commercial or industrial areas that have a significant negative impact on the County's provision of services, unless the annexing city provides financial or other mitigation satisfactory to the County.
3. The County will seek to negotiate agreements with any city proposing to annex unincorporated territory to appropriately transfer Southern California Association of Governments (SCAG) Regional Housing Needs Assessment (RHNA) allocations from the unincorporated area to an annexing city. The County will oppose annexations with any city if agreement on the number of RHNA allocation units to be transferred from the County to the City is not reached prior to the Local Agency Formation Commission annexation hearing. The annexing City shall provide confirmation, in writing, of the mutually-agreed upon RHNA transfer. ~~that does not accept the SCAG RHNA allocation associated with the land area to be annexed.~~
4. Annexations that include areas where the County has established revitalization efforts and/or has committed significant resources for the benefit of the unincorporated community will be reviewed to determine the impact on the County program(s) and may be opposed if the annexation will adversely impact the County program(s).
5. The County may oppose annexations that would result in patterns of development that conflict with the County's land use plans and policies and/or would negatively impact (as defined for each specific annexation) adjacent unincorporated areas.
6. The County will review annexation proposals to ensure that streets or other County local facilities that serve the annexing area are included so that the city assumes responsibility for maintaining these public facilities. When streets are the demarcation between jurisdictions, the City boundary should be to the centerline of the streets that form the boundary of their jurisdiction.  
  
Pursuant to Government Code Section, 25550.5, the County will seek to obtain agreement prior to the annexation on the transfer of ownership of local park and recreation facilities at the County's discretion, to the annexing city so that responsibility for programming and maintaining these facilities are assumed by the annexing city. If the annexing City refuses to take ownership of the park facilities, the County will ~~will~~ take into consideration the County's annual cost for maintaining and programming these facilities and the property tax ~~transfer~~ amount to be transferred to an annexing City will be adjusted accordingly.
7. The cumulative impact of past city annexations on the County generally, and

the affected unincorporated community specifically, will be considered by the Board of Supervisors.

8. The Board of Supervisors requests that any city initiating an annexation demonstrate support for the annexation by the affected landowners for uninhabited territory or registered voters for inhabited territory.

### **C. Unincorporated "Islands" Policies**

1. The Board of Supervisors directs its staff to develop and maintain an inventory of unincorporated islands in urbanized areas that do not include residents or businesses, but consist of County roads, streets, flood channels or other public purpose lands and facilities. These island areas should be considered for annexation to adjacent cities.
2. The County will oppose annexations that involve only part of an unincorporated area island, if such an annexation would make it financially difficult for County departments to provide services to the remaining area. In addition, in order to create logical boundaries and improve service delivery to certain unincorporated area islands, the County will work with residents, property owners and the community to explore appropriate island annexation strategies for these areas.
3. The County will periodically conduct "make-buy-sell-annex" assessments regarding the most cost-effective, responsive and community-desired manner in which municipal services are delivered to unincorporated "island" communities.
4. These assessments will examine whether services could be provided more effectively by neighboring cities via contracts with the County or if County services could be expanded to other surrounding communities to achieve economies of scale. Formal annexation to a neighboring city will also be reviewed where relevant.
5. The desires and preferences of the residents of the affected "island" community will be a guiding factor in developing recommendations. As appropriate, residents will be provided with service comparison and related information regarding the potential annexation to a neighboring city.

### **D. Sphere of Influence Policies**

1. The County Board of Supervisors supports the intent of Government Code

Section 56425, *et seq.*, and will work with LAFCO and all of the cities of the County to review and update city spheres of influence according to its provisions which provide a process for negotiating agreements between the County and each city on sphere updates.

2. The County will include the above-stated policies as a component of the negotiating process for spheres of influence and may oppose any sphere of influence proposal that is inconsistent with those policies.

3. For any specific unincorporated territory, the County will oppose any city SOI that overlaps with another City's SOI. For any specific unincorporated territory, an SOI should only exist for one city, not multiple cities.

#### RESPONSIBLE DEPARTMENT

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Chief Executive Administrative Office

#### DATE ISSUED/SUNSET DATE

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**Issue Date: May 13, 2003**

**Sunset Date:**

Revised 8/31/07 4/29/11:mjs